

*Referred*

6-4-19

**BUDGET,  
FINANCE, AND  
AUDIT STANDING  
COMMITTEE**



May 29, 2019

Honorable Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1340  
Detroit, MI 48226

**RE: DOWNTOWN DEVELOPMENT AUTHORITY FY 2019-2020 BUDGET**

Dear Honorable Body:

Pursuant to Section 228(1) of Public Act 57 of 2018, we have prepared the attached FY 2019-2020 Downtown Development Authority's (the "DDA") General Fund Budget for your approval prior to its adoption by DDA.

The amount of funds available from the one mill tax for FY 2019-20 has been estimated at \$1,050,000.00, net of collection delinquencies and reserves for tax settlements representing an increase of \$100,000.00 from 2018-19 due to an increase in property valuations. Transfer from the DDA's Tax Increment Fund will remain unchanged from the 2018-19 budgeted allocation of \$750,000.00.

The FY 2019-20 budget reflects revenues of \$800,000.00 to be generated from the parking operations, representing a reduction of \$700,000.00 in parking revenues from the FY 2018-19 budget due to the sale of DDA surface lots for the Monroe Block project. It should be noted that these parking lots were always intended to be a temporary revenue source until they would be included in a development. Other/Events Center Revenues are estimated at \$15,000.00, representing a reduction of \$28,000.00 from FY 2018-19 due to the completion of arena building activities. A Fund balance of \$350,000 represents an expected excess of expenses over revenues.

On the appropriations side, contractual services of \$1,940,000.00, reflects a \$2,000.00 increase from FY 2018-19 due to an anticipated increase in audit expense. The budgeted amount of \$550,000.00 for professional services and fees, inclusive of a \$10,000.00 expense for Computer Support, representing an increase of \$20,000.00 from FY 2018-19 due to an anticipated increase in insurance premiums. There is a \$75,000.00 budgeted expense related to parking operations for FY 2019-20, this represents a \$50,000.00 decrease from FY 2018-2019 due to a decrease in the amount of lots owned by DDA requiring maintenance and security. Finally, \$500,000.00 of allocated funds for Special Projects and Contingencies for FY 2019-20 indicates no increase from last year.



We respectfully request City Council's approval of the attached budget at its June 11, 2019 formal meeting. A waiver of reconsideration is requested.

Should any member of the Council have any questions, please contact me at 483-4150.

Sincerely,

Jennifer Kanalos  
Authorized Agent

cc: City Clerk  
Irvin Corley, Jr.  
F. Thomas Lewand  
Glen Long, Jr.  
John Naglick  
Tanya Stoudemire  
Stephanie Washington

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**RESOLUTION OF THE DETROIT CITY COUNCIL  
APPROVING THE CITY OF DETROIT  
DOWNTOWN DEVELOPMENT AUTHORITY  
BUDGET FOR FY 2019-2020**

**WHEREAS**, Act 57, Public Acts of Michigan, 2018 ("Act 57") provides that the Downtown Development Authority (the "DDA") shall prepare and submit a budget for the operation of the DDA for each ensuing fiscal year to the City Council of the City of Detroit ("City Council") for approval before such budget is adopted by the DDA Board; and

**WHEREAS**, the DDA has submitted the budget attached hereto as Exhibit A for its fiscal year 2019-2020 for the review and approval by the City Council and the City Council has reviewed the same.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

The budget of the City of Detroit Downtown Development Authority for its fiscal year 2019-2020 is hereby approved by the City Council for the City of Detroit in the form attached hereto as Exhibit A.

Yea:s: \_\_\_\_\_  
\_\_\_\_\_

Nay:s: \_\_\_\_\_  
\_\_\_\_\_

Waiver of reconsideration is requested.

**DOWNTOWN DEVELOPMENT AUTHORITY  
BUDGET  
2019-2020**

	2018-19 BUDGET	2018-19 PROJECTED ACTUAL	2018-19 DIFFERENCE	2019-20 BUDGET
<b>REVENUES:</b>				
Current taxes - one mil	\$ 950,000	\$ 1,058,766	\$ 108,766	\$ 1,050,000
Earnings on investments	40,000	95,202	55,202	100,000
Transfer from Tax Increment Fund	750,000	750,000	-	750,000
Parking Operations	1,500,000	1,228,723	(271,277)	800,000
Other/Event Center	43,000	40,008	(2,992)	15,000
From/(To) prior year balance	<u>(190,000)</u>	<u>(244,215)</u>	<u>(54,215)</u>	<u>350,000</u>
<b>TOTAL REVENUES</b>	<b><u>\$ 3,093,000</u></b>	<b><u>\$ 2,928,484</u></b>	<b><u>\$ (164,516)</u></b>	<b><u>\$ 3,065,000</u></b>
<b>EXPENSES:</b>				
<b>Contractual Services</b>				
Detroit Economic Growth Corp	\$ 1,900,000	\$ 1,900,000	\$ -	\$ 1,900,000
Annual Audit	<u>38,000</u>	<u>38,000</u>	<u>\$ -</u>	<u>40,000</u>
<b>Sub-Total</b>	<b><u>\$ 1,938,000</u></b>	<b><u>\$ 1,938,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,940,000</u></b>
<b>Professional Service Fees</b>				
Legal Services	\$ 200,000	\$ 192,178	\$ 7,822	\$ 200,000
Insurance	305,000	316,948	(\$ 11,948)	325,000
Advertising/Marketing	15,000	10,167	\$ 4,833	15,000
Computer Support	<u>10,000</u>	<u>10,000</u>	<u>\$ -</u>	<u>10,000</u>
<b>Sub-Total</b>	<b><u>\$ 530,000</u></b>	<b><u>\$ 529,293</u></b>	<b><u>\$ 707</u></b>	<b><u>\$ 550,000</u></b>
<b>Parking Lots Management</b>	<b><u>\$ 125,000</u></b>	<b><u>\$ 81,249</u></b>	<b><u>\$ 43,751</u></b>	<b><u>\$ 75,000</u></b>
<b>Special Projects &amp; Contingencies</b>	<b><u>\$ 500,000</u></b>	<b><u>\$ 379,942</u></b>	<b><u>\$ 120,058</u></b>	<b><u>\$ 500,000</u></b>
<b>TOTAL EXPENSES</b>	<b><u>\$ 3,093,000</u></b>	<b><u>\$ 2,928,484</u></b>	<b><u>\$ 164,516</u></b>	<b><u>\$ 3,065,000</u></b>



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OFFICE OF THE  
DETROIT CITY CLERK

2019 MAY 28 A ID: 521

May 24, 2019

Ms. Cathy M. Garrett  
Wayne County Clerk  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 211  
Detroit, Michigan 48226

Re: City of Detroit Downtown Development Authority 2019 Tax Rate Request

Dear Ms. Garrett:

Pursuant to Section 212 (1) of Public Act 57 of 2018, the City of Detroit Downtown Development Authority (the "DDA") is allowed to levy one (1) mill on real and personal property in the DDA district.

Submitted herewith is the executed City of Detroit DDA 2019 tax rate request.

Please feel free to contact me with any questions.

Sincerely,

Jennifer Kanalos

Authorized Agent

c: **Ms. Janice Winfrey, City of Detroit Clerk**  
**Ms. Christa McLellan, City of Detroit Deputy CFO/Treasurer**  
**Mr. Scott Vandemergel, Wayne County Director of Assessment & Equalization**  
**Mr. Charles Ericson, MMAO, City of Detroit Board of Assessors**  
**Mr. Alvin Hohrn, City of Detroit Deputy CFO Assessor's Office**  
**Mr. Glen Long Jr., Detroit Economic Growth Corporation CFO and Executive VP of Administration**





**EMWCIA**  
EIGHT MILE WOODWARD CORRIDOR  
IMPROVEMENT AUTHORITY

500 Griswold, Suite 2200  
Detroit, MI 48226

3

May 29, 2019

Honorable Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1340  
Detroit, MI 48226

RE: City of Detroit Eight Mile/Woodward Corridor Improvement Authority  
Budget for Fiscal Year 2019-20

Dear Honorable Body:

Enclosed please find a copy of the City of Detroit Eight Mile/Woodward Corridor Improvement Authority (the "EMWCIA") budget for Fiscal Year 2019-20. Under the provisions of Act 57, Public Acts of Michigan, 2018, the EMWCIA shall prepare and submit to the City Council a budget for the operation of the EMWCIA for each fiscal year prior to such budget being adopted by the EMWCIA Board of Directors.

The enclosed budget for the EMWCIA's Fiscal Year 2019-20 is forwarded to your Honorable Body. EMWCIA respectfully requests that you review and approve the proposed budget in the form submitted, with waiver of reconsideration.

Sincerely,

Jennifer Kanalos  
Authorized Agent

JK/gh

Enclosure

cc: City Clerk  
Irvin Corley, Jr.  
Glen Long, Jr.  
Tanya Stoudemire  
Stephanie Washington

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CITY CLERK'S OFFICE - RECORDS SECTION

**RESOLUTION OF THE DETROIT CITY COUNCIL  
APPROVING THE CITY OF DETROIT  
EIGHT MILE/WOODWARD CORRIDOR IMPROVEMENT AUTHORITY  
BUDGET FOR FY 2019-20**

WHEREAS, Act 57, Public Acts of Michigan, 2018 ("Act 57"), provides that the Director of the City of Detroit Eight Mile/Woodward Corridor Improvement Authority (the "EMWCIA") shall prepare and submit a budget for the operation of the EMWCIA for each ensuing fiscal year to the City Council of the City of Detroit ("City Council") before such budget is adopted by the EMWCIA Board; and

WHEREAS, the EMWCIA has submitted the budget attached hereto as Exhibit A for its fiscal year 2019-20 for the review and approval by the City Council and the City Council has reviewed same.

NOW THEREFORE BE IT RESOLVED THAT:

The budget of the EMWCIA for its fiscal year 2019-20 is hereby approved by the City Council in the form attached hereto as Exhibit A.

Yea<sup>s</sup>: \_\_\_\_\_

Nay<sup>s</sup>: \_\_\_\_\_

Waiver of reconsideration is requested.

**EIGHT MILE WOODWARD COORRIDOR IMPROVEMENT AUTHORITY  
OPERATING BUDGET  
JULY 1, 2019 TO JUNE 30, 2020**

	<b>Projected Total June 30, 2019</b>	<b>Budget June 30, 2019</b>	<b>Variance</b>	<b>Proposed Budget June 30, 2020</b>
<b><u>REVENUE</u></b>				
TIF OPERATING REVENUE	100,000	100,000	0	100,000
INTEREST/OTHER INCOME	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <b>TOTAL REVENUE</b>	 <u>100,000</u>	 <u>100,000</u>	 <u>0</u>	 <u>100,000</u>
 <b><u>EXPENSES</u></b>				
DETROIT ECONOMIC GROWTH CORPORATION	50,000	50,000	0	50,000
LEGAL	10,000	15,000	5,000	15,000
AUDIT	10,000	10,000	0	10,000
INSURANCE	13,010	20,000	6,990	20,000
OTHER EXPENSES	<u>4,014</u>	<u>5,000</u>	<u>986</u>	<u>5,000</u>
 <b>TOTAL EXPENSES</b>	 <u>87,024</u>	 <u>100,000</u>	 <u>12,976</u>	 <u>100,000</u>
Operating Surplus/(Shortfall)	12,976	0	12,976	0
(Increase)/Decrease in Reserve	<u>(12,976)</u>	<u>0</u>	<u>(12,976)</u>	<u>0</u>
 <b>NET SURPLUS/(SHORTFALL)</b>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>



4

May 29, 2019

Honorable Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1340  
Detroit, MI 48226

Re: City of Detroit Local Development Finance Authority  
Budget for Fiscal Year 2019-2020

Dear Honorable Body:

Enclosed please find a copy of the City of Detroit Local Development Finance Authority budget for Fiscal Year 2019-2020. Under the provisions of Act 57, Public Acts of Michigan, 2018, the Director of the Local Development Finance Authority (the "LDFA") shall prepare and submit to the City Council a budget for the operation of the LDFA for each fiscal year prior to such budget being adopted by the LDFA Board of Directors.

The enclosed budget for the City of Detroit Local Development Finance Authority's Fiscal Year 2019-2020 is forwarded to your Honorable Body. LDFA respectfully requests that you review and approve the proposed budget in the form submitted, with waiver of reconsideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Jennifer Kanalos".

Jennifer Kanalos  
Director

JK/gh

Enclosure

cc: City Clerk  
Irvin Corley, Jr.  
Glen Long, Jr.  
Tanya Stoudemire  
Stephanie Washington

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CITY CLERK 2019 MAY 30 AM 9:30



**RESOLUTION OF THE DETROIT CITY COUNCIL  
APPROVING THE CITY OF DETROIT  
LOCAL DEVELOPMENT FINANCE AUTHORITY  
BUDGET FOR FY 2019-2020**

**WHEREAS**, Act 57, Public Acts of Michigan, 2018 ("Act 57"), provides that the Director of the Local Development Finance Authority (the "LDFA") shall prepare and submit a budget for the operation of the LDFA for each ensuing fiscal year to the City Council of the City of Detroit ("City Council") before such budget is adopted by the LDFA Board; and

**WHEREAS**, the LDFA has submitted the budget attached hereto as Exhibit A for its fiscal year 2019-2020 for the review and approval by the City Council and the City Council has reviewed the same.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

The budget of the City of Detroit Local Development Finance Authority for its fiscal year 2019-2020 is hereby approved by the City Council for the City of Detroit in the form attached hereto as Exhibit A.

Yea<sup>s</sup>: \_\_\_\_\_

Nay<sup>s</sup>: \_\_\_\_\_

Waiver of reconsideration is requested.

**LOCAL DEVELOPMENT FINANCE AUTHORITY  
OPERATING BUDGET  
JULY 1, 2019 TO JUNE 30, 2020**

	Budget June 30, 2019	Proposed Budget June 30, 2020
<b><u>REVENUE</u></b>		
REVENUES RELEASED CURRENT YEAR	150,000	0
CITY REIMBURSEMENT	0	0
INTEREST/OTHER INCOME	<u>5,000</u>	<u>10,000</u>
<b>TOTAL OPERATING REVENUE</b>	<b>155,000</b>	<b>10,000</b>
Transfer (to) from Prior Year Operating Fund Balances	0	150,000
<b>TOTAL TRANSFERS (TO) FROM FUND BALANCES</b>	<b>0</b>	<b>150,000</b>
<b>TOTAL REVENUE</b>	<b><u>155,000</u></b>	<b><u>160,000</u></b>
<b><u>EXPENSES</u></b>		
DETROIT ECONOMIC GROWTH CORPORATION	125,000	125,000
MAINTENANCE/OTHER	<u>30,000</u>	<u>35,000</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>155,000</b>	<b>160,000</b>
Operating Surplus/(Shortfall)	0	0
(Increase)/Decrease in Reserve	<u>0</u>	<u>0</u>
<b>NET SURPLUS/(SHORTFALL)</b>	<b><u>0</u></b>	<b><u>0</u></b>



City of Detroit

COUNCILMAN SCOTT R. BENSON

5

CITY COUNCIL 2019 MAY 28 2019-05-28

## MEMORANDUM

**TO:** Assessor's Office, Alvin Horhn  
Hon. James Tate Jr. Chair, P&DD Standing Committee  
Hon. Janee Ayers, Chair, BF&A Standing Committee

**FROM:** Hon. Scott Benson, City Council District 3

**CC:** Hon. Janice Winfrey, City Clerk  
David Whitaker, Director, LPD  
David Massaron, CFO  
Stephanie Washington, City Council Liaison

**VIA:** Hon. Brenda Jones, City Council President

**DATE:** 28 May 2019

**RE:** NEZ HOMESTEAD (NEZH) UPDATED PROPOSED MODIFICATIONS

Find attached the NEZh map, dtd. May 28, 2019, which identifies the proposed modifications of Council Member Scott Benson and Council President Pro-Tem Mary Sheffield.

Each council member is encouraged to review and consider the proposed modifications when making changes to their respective districts. Please keep in mind that NEZ Homesteads were created to stabilize neighborhoods and facilitate investment in single-family homes in our city. This is a powerful tool capable of both assisting in the revitalization of Detroit's middle class and retaining residency.

As individual council members, you are best positioned to know the nuances of the city within your specific council district and to take a broader view where necessary. I continue to urge council members to review the proposed changes and to accept or modify the suggestions accordingly.

SRB

